

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re: PURDUE PHARMA L.P., et al.,  
Debtors

Case No.: 19-23649 (RDD)  
Reporting Period April 1, 2021 to April 30, 2021

CORPORATE MONTHLY OPERATING REPORT

| REQUIRED DOCUMENTS   | Form No. | Document Attached | Explanation Attached |
|--|----------|-------------------|----------------------|
| Schedule of Cash Receipts and Disbursements                          | MOR-1a   | Yes               | -                    |
| Bank Account Balances  | MOR-1b   | Yes               | -                    |
| Consolidated Statement of Operations                                 | MOR-2    | Yes               | -                    |
| Consolidated Balance Sheet   | MOR-3    | Yes               | -                    |
| Schedule of Post-petition Taxes                                      | MOR-4    | -                 | Yes                  |
| Schedule of Payments to Insiders and Restructuring Professional Fees | MOR-5    | Yes               | -                    |
| Debtor Questionnaire   | MOR-6    | Yes               | -                    |

This Monthly Operating Report has been prepared solely for the purposes of complying with the monthly reporting requirements applicable in these chapter 11 cases and is in a format that the Debtors believe is acceptable to the United States Trustee. The financial information contained herein is limited in scope and covers a limited time period. Moreover, such information is preliminary and unaudited, and is not prepared in accordance with GAAP.

I declare under penalty of perjury that this report and the attached documents are true and correct to the best of my knowledge and belief.

*J. R. Lowe*

5/20/2021

\_\_\_\_\_  
Signature of Authorized Individual\*

\_\_\_\_\_  
Date

*Jon Lowe*

5/20/2021

\_\_\_\_\_  
Printed Name of Authorized Individual

\_\_\_\_\_  
Date

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation.

In re: PURDUE PHARMA L.P., et al.,  
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**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS (\$)**

| Case No.       | Debtor Entity Name:                   | Net Receipts <sup>2</sup> | Net Disbursements <sup>1</sup> |
|----------------|---------------------------------------|---------------------------|--------------------------------|
| 087-19-23648   | PURDUE PHARMA INC.                    | \$ 30,000                 | \$ 1,171,892                   |
| 087-19-23649   | PURDUE PHARMA L.P.                    | 111,012,875               | 100,985,967                    |
| 087-19-23650   | PURDUE TRANSDERMAL TECHNOLOGIES, L.P. | -                         | -                              |
| 087-19-23651   | PURDUE PHARMA MANUFACTURING L.P.      | -                         | -                              |
| 087-19-23652   | PURDUE PHARMACEUTICALS L.P.           | -                         | 4,386,465                      |
| 087-19-23653   | IMBRIUM THERAPEUTICS L.P.             | -                         | 6,438,029                      |
| 087-19-23654   | ADLON THERAPEUTICS L.P.               | -                         | 2,984,621                      |
| 087-19-23655   | GREENFIELD BIO VENTURES L.P.          | -                         | -                              |
| 087-19-23656   | SEVEN SEAS HILL CORP.                 | -                         | -                              |
| 087-19-23657   | OPHIR GREEN CORP.                     | -                         | -                              |
| 087-19-23658   | PURDUE PHARMA OF PUERTO RICO          | -                         | 44                             |
| 087-19-23659   | AVRIO HEALTH L.P.                     | 99,998                    | 6,015,149                      |
| 087-19-23660   | PURDUE PHARMACEUTICAL PRODUCTS L.P.   | -                         | 502                            |
| 087-19-23661   | PURDUE NEUROSCIENCE COMPANY           | -                         | -                              |
| 087-19-23662   | NAYATT COVE LIFESCIENCE INC.          | -                         | 900,000                        |
| 087-19-23663   | BUTTON LAND L.P.                      | -                         | 192                            |
| 087-19-23664   | PAUL LAND INC.                        | -                         | 38                             |
| 087-19-23665   | QUIDNICK LAND L.P.                    | -                         | 199                            |
| 087-19-23666   | RHODES ASSOCIATES L.P.                | -                         | -                              |
| 087-19-23667   | RHODES PHARMACEUTICALS L.P.           | 21,481,219                | 18,159,478                     |
| 087-19-23668   | RHODES TECHNOLOGIES                   | 15,084                    | 5,112,164                      |
| 087-19-23669   | UDF LP                                | -                         | -                              |
| 087-19-23670   | SVC PHARMA LP                         | -                         | 400,575                        |
| 087-19-23671   | SVC PHARMA INC.                       | -                         | -                              |
| <b>Totals:</b> |                                       | <b>\$ 132,639,175</b>     | <b>\$ 146,555,315</b>          |

**Footnotes**

1) The Net Disbursements exclude intercompany transactions among Debtors

2) The Net Receipts exclude intercompany transactions among Debtors

In re: PURDUE PHARMA L.P., et al.,  
Debtors

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BANK ACCOUNT BALANCES (\$)

| Debtor                       | Bank   | Account Number   | Description          | Balance as of Month End |
|------------------------------|--|------------------|----------------------|-------------------------|
| Purdue Pharma L.P.           | American Express National Bank (Restricted Cash) | xxxxxxx65041     | CD                   | \$ 750,229              |
| Purdue Pharma L.P.           | Wells Fargo (Restricted Cash)                    | xxxx2400         | Escrow               | 10,866,366              |
| Purdue Pharma L.P.           | Wells Fargo (Restricted Cash)                    | xxxx3900         | Escrow               | -                       |
| Purdue Pharma L.P.           | East West Bank                                   | xxxxxxxx9773     | LOC/Collateral       | 10,007,677              |
| Purdue Pharma L.P.           | East West Bank                                   | xxxxxxxx9808     | LOC/Collateral       | 5,252,980               |
| Purdue Pharma L.P.           | East West Bank                                   | xxxxxxxx9836     | LOC/Collateral       | 1,661,283               |
| Purdue Pharma L.P.           | East West Bank                                   | xxxxxxxx9136     | Money Market Account | 200,029,933             |
| Purdue Pharma L.P.           | Metropolitan Commercial Bank                     | xxxxxxxx4813     | Money Market Account | 100,296,603             |
| Purdue Pharma L.P.           | Bank of Oklahoma                                 | xxxxxx8720       | Money Market Account | 100,206,558             |
| Purdue Pharma L.P.           | JPMorgan/Dreyfus Funds #761                      | xxxx7720         | Money Market Fund    | -                       |
| Purdue Pharma L.P.           | Goldman Sachs #520                               | xxxx8266         | Money Market Fund    | 53,827,162              |
| Purdue Pharma L.P.           | Goldman Sachs #506                               | xxxx0462         | Money Market Fund    | 454,600,060             |
| Purdue Pharma L.P.           | JP Morgan Chase                                  | xxxxx5837        | Operating            | -                       |
| Purdue Pharma L.P.           | East West Bank                                   | xxxxxxxx9129     | Operating            | 15,851,570              |
| Purdue Pharma L.P.           | JP Morgan Chase                                  | xxxxxxxxxxxx8509 | Operating            | -                       |
| Purdue Pharma L.P.           | JP Morgan Chase                                  | xxxxx8921        | Operating            | -                       |
| Purdue Pharma L.P.           | JP Morgan Chase                                  | xxxxx2890        | Operating            | -                       |
| Purdue Pharma L.P.           | East West Bank                                   | xxxxxxxx9388     | ERISA                | 191,678                 |
| Purdue Pharma L.P.           | Bank of Oklahoma                                 | xxxxxx6017       | Trust                | 15,282,645              |
| Purdue Pharma L.P.           | East West Bank                                   | xxxxxxxx9549     | Operating            | 350,663                 |
| Purdue Pharma L.P.           | East West Bank (Restricted Cash)                 | xxxxxxxx9304     | Restricted Account   | -                       |
| Purdue Pharma L.P.           | Wells Fargo (Restricted Cash)                    | xxxx1100         | Trust                | 10,274,373              |
| Purdue Pharma L.P.           | Wells Fargo (Restricted Cash)                    | xxxx6600         | Trust                | 59,186,393              |
| Purdue Pharma L.P.           | Metropolitan Commercial Bank (Restricted Cash)   | xxxxxxxx6077     | Trust                | 0                       |
| Purdue Pharma L.P.           | Metropolitan Commercial Bank (Restricted Cash)   | xxxxxxxx4767     | Trust                | 29,159,013              |
| Purdue Pharma L.P.           | Wells Fargo (Restricted Cash)                    | xxxx0300         | Trust                | 10,392,833              |
| Purdue Pharma L.P.           | Bank of Oklahoma                                 | xxxxxx4018       | Trust                | 25,106,604              |
| Purdue Pharma Inc.           | East West Bank                                   | xxxxxxxx9213     | Operating            | 1,275,040               |
| Purdue Pharma Inc.           | JP Morgan Chase                                  | xxxxx2866        | Operating            | -                       |
| Purdue Pharmaceuticals L.P.  | Wells Fargo (Restricted Cash)                    | xxxx5300         | Trust                | 125,986                 |
| Imbrrium Therapeutics L.P.   | JP Morgan Chase                                  | xxxxx1191        | Operating            | -                       |
| Imbrrium Therapeutics L.P.   | East West Bank                                   | xxxxxxxx9241     | Operating            | -                       |
| Adlon Therapeutics L.P.      | East West Bank                                   | xxxxxxxx9248     | Operating            | -                       |
| Adlon Therapeutics L.P.      | JP Morgan Chase                                  | xxxxx5999        | Operating            | -                       |
| Greenfield BioVentures L.P.  | JP Morgan Chase                                  | xxxxxx1118       | Operating            | -                       |
| Greenfield BioVentures L.P.  | East West Bank                                   | xxxxxxxx9234     | Operating            | -                       |
| Purdue Pharma of Puerto Rico | East West Bank                                   | xxxxxxxx9185     | Operating            | -                       |
| Purdue Pharma of Puerto Rico | JP Morgan Chase                                  | xxxxx5485        | Operating            | -                       |
| Avrio Health L.P.            | East West Bank                                   | xxxxxxxx9199     | Operating            | -                       |
| Avrio Health L.P.            | JP Morgan Chase                                  | xxxxx9278        | Operating            | -                       |
| Purdue Neuroscience Company  | East West Bank                                   | xxxxxxxx9227     | Operating            | -                       |
| Purdue Neuroscience Company  | JP Morgan Chase                                  | xxxxxx6535       | Operating            | -                       |
| Nayatt Cove Lifescience Inc. | JP Morgan Chase                                  | xxxxxx8162       | Operating            | -                       |
| Nayatt Cove Lifescience Inc. | East West Bank                                   | xxxxxxxx9220     | Operating            | -                       |
| Button Land L.P.             | East West Bank                                   | xxxxxxxx9297     | Operating            | -                       |
| Button Land L.P.             | JP Morgan Chase                                  | xxxxxx1875       | Operating            | -                       |
| Paul Land Inc.               | East West Bank                                   | xxxxxxxx9290     | Operating            | -                       |
| Paul Land Inc.               | JP Morgan Chase                                  | xxxxx1859        | Operating            | -                       |
| Quidnick Land L.P.           | JP Morgan Chase                                  | xxxxx1891        | Operating            | -                       |
| Quidnick Land L.P.           | East West Bank                                   | xxxxxxxx9304     | Operating            | -                       |
| Rhodes Pharmaceuticals L.P.  | JPMorgan/Dreyfus Funds #761                      | xxxx3154         | Money Market Fund    | -                       |
| Rhodes Pharmaceuticals L.P.  | East West Bank                                   | xxxxxxxx9269     | Operating            | -                       |
| Rhodes Pharmaceuticals L.P.  | JP Morgan Chase                                  | xxxxx6220        | Operating            | -                       |
| Rhodes Technologies          | JPMorgan/Dreyfus Funds #761                      | xxxx3153         | Money Market Fund    | -                       |

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BANK ACCOUNT BALANCES (\$)

| Debtor              | Bank            | Account Number | Description | Balance as of Month End |
|---------------------|-----------------|----------------|-------------|-------------------------|
| Rhodes Technologies | JP Morgan Chase | xxxxxxxxx2509  | Operating   | -                       |
| Rhodes Technologies | JP Morgan Chase | xxxxxx6362     | Operating   | -                       |
| Rhodes Technologies | East West Bank  | xxxxxx9262     | Operating   | -                       |
| SVC Pharma LP       | JP Morgan Chase | xxxxx9855      | Operating   | -                       |
| SVC Pharma LP       | East West Bank  | xxxxxx9276     | Operating   | -                       |
| SVC Pharma Inc.     | JP Morgan Chase | xxxxx9863      | Operating   | -                       |
| SVC Pharma Inc.     | East West Bank  | xxxxxx9283     | Operating   | -                       |
| <b>Total</b>        |                 |                |             | <b>\$ 1,104,695,650</b> |

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**CONSOLIDATED STATEMENT OF OPERATIONS (\$M)<sup>1,2</sup>**

**Consolidated Results of Purdue Pharma, L.P. and all Debtors except Purdue Pharma, Inc**

|                              | <b>Current Month</b> | <b>2021 Year to Date</b> | <b>2019 Cumulative Filing to Date<sup>3</sup></b> |
|------------------------------|----------------------|--------------------------|---|
| Net Sales                    | \$ 54                | \$ 265                   | \$ 1,465  |
| Cost of Goods Sold           | (12)                 | (61)                     | (370)   |
| Gross Profit                 | 41                   | 204                      | 1,094   |
| Sales and Promotion          | (9)                  | (35)                     | (181)   |
| Research and Development     | (5)                  | (24)                     | (138)   |
| General and Administrative   | (7)                  | (23)                     | (155)   |
| Legal Fees - Ordinary Course | (2)                  | (4)                      | (19)  |
| Medical Affairs              | (4)                  | (12)                     | (60)  |
| Milestones & Alliances       | (2)                  | (4)                      | (12)  |
| Health Care Reform Fee       | (1)                  | (3)                      | (17)  |
| Other US                     | (1)                  | (2)                      | (5)   |
| Incentive Bonus              | (4)                  | (13)                     | (57)  |
| Total Operating Expenses     | (35)                 | (120)                    | (644)   |
| Operating Profit             | 6                    | 84                       | 451   |
| Legal Fees - Non-Recurring   | (22)                 | (96)                     | (570)   |
| Other <sup>4</sup>           | (1)                  | (23)                     | (72)  |
| Total Non-Operating Expenses | (23)                 | (119)                    | (642)   |
| Profit / (Loss) <sup>5</sup> | \$ (17)              | \$ (35)                  | \$ (191)  |

**Footnotes**

1) The numbers reflected in the Consolidated Statement of Operations are shown in MILLIONS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary and unaudited. The financial position and results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and as a result, may not reflect the consolidated financial position and results of operations of the Debtors in the future.

3) Cumulative results for 2019 are beginning September 1, 2019 as operating results for the partial month from the filing date of September 15, 2019 to September 30, 2019 are not available.

4) Includes non-cash write downs of \$62M related to Rhodes Technologies assets and a fixed asset impairment of \$8M, offset by a gain recorded on an investment of \$22M.

5) The debtors historically updated contingencies as part of their year-end review with their auditors, Ernst and Young. That process is ongoing for year ended December 31st, 2020 and as of this reporting, the Debtors have not completed their assessment of the adjustments required to accruals for settlements entered into during 2020, other claims made against the Debtors or settlement discussions that are ongoing. Refer to separate disclosure on Liabilities Subject to Compromise and Contingencies.

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**PURDUE PHARMA, INC. STATEMENT OF OPERATIONS (\$000) <sup>1,2</sup>**

|   | <b>Current Month</b> | <b>2021 Year to Date</b> | <b>2019 Cumulative Filing to Date <sup>3</sup></b> |
|---|----------------------|--------------------------|--|
| Management Fee Income                           | \$ 30                | \$ 117                   | 582  |
| General and Administrative Expenses             | -                    | -                        | (66)   |
| Operating Income                                | 30                   | 117                      | 516  |
|   |                      | -                        |  |
| Income from Unconsolidated Associated Companies | (55)                 | (211)                    | (1,378)  |
| Total Other Income                              | (55)                 | (211)                    | (1,378)  |
|   |                      |                          |  |
| Pre-Tax Income                                  | (25)                 | (94)                     | (862)  |
|   |                      |                          |  |
| Income Tax Provision                            | 7                    | 26                       | 219  |
|   |                      |                          |  |
| Net Income                                      | \$ (18)              | \$ (68)                  | \$ (643)   |

**Footnotes**

1) The numbers reflected in the Statement of Operations are shown in THOUSANDS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary and unaudited. The financial position and results of operations contained herein are not necessarily indicative of results which may be expected for any other period or for the full year and as a result, may not reflect the consolidated financial position and results of operations of the Debtors in the future.

3) Cumulative results for 2019 are beginning September 1, 2019 as operating results for the partial month from the filing date of September 15, 2019 to September 30, 2019 are not available.

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| CONSOLIDATED BALANCE SHEET (\$M) <sup>1,2</sup>  |                 |            |
|--|-----------------|------------|
| Consolidated Results of Purdue Pharma, L.P. and all Debtors except Purdue Pharma, Inc. |                 | Book Value |
| <b>ASSETS</b>  |                 |            |
| <b>CURRENT ASSETS</b>  |                 |            |
| Cash & Cash Equivalents  | \$ 924          |            |
| Available For Sale Investments   | 26              |            |
| Accounts Receivable, Net   | 138             |            |
| Due From Associated Companies  | 8               |            |
| Other Receivables  | 6               |            |
| Inventories, Net   | 90              |            |
| Prepaid Expenses & Other Current Assets  | 49              |            |
| Restricted Cash  | 30              |            |
| <b>TOTAL CURRENT ASSETS</b>  | <b>1,271</b>    |            |
| Property and Equipment, net  | 65              |            |
| Investments at Cost  | 39              |            |
| Restricted Cash - Long-Term  | 149             |            |
| Intangible Assets, Net   | 95              |            |
| Other Assets   | 16              |            |
| <b>TOTAL ASSETS</b>  | <b>\$ 1,635</b> |            |
| <b>LIABILITIES AND EQUITY</b>  |                 |            |
| <b>CURRENT LIABILITIES</b>   |                 |            |
| Accounts Payable   | \$ 46           |            |
| Accrued Expenses   | 259             |            |
| <b>TOTAL CURRENT LIABILITIES</b>   | <b>305</b>      |            |
| Other Liabilities  | 78              |            |
| Due to Associated Companies  | 11              |            |
| Liabilities Subject to Compromise <sup>3,4</sup>                                       | 3,018           |            |
| <b>TOTAL LIABILITIES</b>   | <b>3,412</b>    |            |
| <b>EQUITY</b>  |                 |            |
| Retained Earnings & Partners' Capital  | (1,732)         |            |
| Accumulated Other Comprehensive Loss   | (45)            |            |
| <b>TOTAL EQUITY</b>  | <b>(1,777)</b>  |            |
| <b>TOTAL LIABILITIES AND EQUITY</b>  | <b>\$ 1,635</b> |            |

**Footnotes**

1) The numbers reflected in the Consolidated Balance Sheet are shown in MILLIONS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary, unaudited, and subject to change.

3) On September 15, 2019, the Company announced that it had reached an agreement in principle on a framework for settling the U.S. opioid litigation facing the Company with twenty-four (24) state attorneys general, analogous officials from five (5) U.S. territories, the Plaintiff's Executive Committee in the MDL, and co-lead counsel in the MDL. In connection with this agreement in principle, the shareholders of the Company are expected to contribute their ownership in the Company to a trust or other entity established for the benefit of claimants and the American people and a minimum of \$3.0 billion, with the potential for substantial further monetary contributions from the sales of their ex-U.S. pharmaceutical businesses. The Company has concluded that for accounting purposes a loss has been incurred and has recorded a provision in the amount of \$3.0 billion, in accordance with ASC 450, Accounting for Contingencies. This accounting provision of \$3.0 billion was recorded retroactively to December 31, 2018. The Company expects this amount to be paid by the shareholders of the Company. The Company will reclassify the liability associated with the cash settlement that is expected to be paid by the Company's shareholders to equity as a capital contribution if the settlement agreement is finalized and executed.

4) The debtors historically updated contingencies as part of their year-end review with their auditors, Ernst and Young. That process is ongoing for year ended December 31st, 2020 and as of this reporting, the Debtors have not completed their assessment of the adjustments required to accruals for settlements entered into during 2020, other claims made against the Debtors or settlement discussions that are ongoing. The Debtors, note however, that they are in active settlement discussions with various creditors to settle outstanding claims and will incorporate any settlements as appropriate when the accruals are updated. Refer to separate disclosure on Liabilities Subject to Compromise and Contingencies.

5) Rhodes fixed assets were written down by \$51.4M to acquisition price of \$1M and an inventory reserve was recorded for the estimated difference between 12.31.2020 inventory and the value of the \$15M inventory credit (\$6.4M).

Liabilities Subject to Compromise and Contingencies

Settlement Expense recorded in 2019 Audited Financial Statements

On September 15, 2019, the Company announced that it had reached an agreement in principle on a framework for settling the U.S. opioid litigation facing the Company with twenty-four (24) state attorneys general, analogous officials from five (5) U.S. territories, the Plaintiff's Executive Committee in the MDL, and co-lead counsel in the MDL. In connection with this agreement in principle, the shareholders of the Company are expected to contribute their ownership in the Company to a trust or other entity established for the benefit of claimants and the American people and a minimum of \$3.0 billion, with the potential for substantial further monetary contributions from the sales of their ex-U.S. pharmaceutical businesses. The Company has concluded that for accounting purposes a loss has been incurred and has recorded a provision in the amount of \$3.0 billion, in accordance with ASC 450, Accounting for Contingencies. This accounting provision of \$3.0 billion was recorded retroactively to December 31, 2018. The Company expects this amount to be paid by the shareholders of the Company. The Company will reclassify the liability associated with the cash settlement that is expected to be paid by the Company's shareholders to equity as a capital contribution if the settlement agreement is finalized and executed.

Settlement Agreements Entered into in 2020

The debtors historically updated contingencies as part of their year end review with their auditors, Ernst and Young. That process is ongoing for year ended December 31<sup>st</sup>, 2020 and as of this reporting, the Debtors have not completed their assessment of the adjustments required to accruals for settlements entered into during 2020, other claims made against the Debtors or settlement discussions that are ongoing, as described below:

A. DOJ Settlement with Debtors

The United States Department of Justice (the “**DOJ**”) filed claims against the Debtors in the aggregate amount of at least \$12.5 billion relating to the Debtors’ past practices related to the production, sale, marketing and distribution of opioid products.

On October 21, 2020, the Debtors entered into (i) a plea agreement (the “**Plea Agreement**”) with the United States, acting through the United States Attorney’s Office for the District of New Jersey (the “**NJ USAO**”), the United States Attorney’s Office for the District of Vermont (the “**VT USAO**”), and the United States Department of Justice, Civil Division, Consumer Protection Branch (“**DOJ Consumer Protection**”), and (ii) a civil settlement agreement (the “**Civil Settlement Agreement**” and, together with the Plea Agreement, and including the settlements contemplated thereby and the other terms and conditions thereof, the “**DOJ Resolution**”) with the United States, acting through the United States Department of Justice, Civil Division, Commercial Litigation Branch (“**DOJ Commercial Litigation**”), NJ USAO, and VT USAO and on behalf of the Office of Inspector General of the United States Department of Health and Human Services (“**HHS-OIG**”), the Defense Health Agency, acting on behalf of the TRICARE Program, 10 U.S.C. §§ 1071-1110b (“**TRICARE**”), and the Office of Personnel Management.

Under the Plea Agreement, PPLP agreed to plead guilty to three counts as detailed in the Plea Agreement: (i) a dual-object conspiracy to defraud the United States in violation of 18 U.S.C. § 371 and to violate the Food, Drug, and Cosmetic Act in violation of 21 U.S.C. §331, 333(a)(1) and 353, all in violation of 18 U.S.C. §371, (ii) conspiracy to violate the Federal Anti-Kickback Statute related to Purdue’s payments to healthcare providers, contrary to 42 U.S.C. § 1320a-7b(b), in violation of 18 U.S.C. § 371; and (iii) conspiracy to violate the Federal Anti-Kickback Statute related to Purdue’s payments to Practice Fusion, a cloud-based EHR platform, contrary to 42 U.S.C. § 1320a-7b(b), in violation of 18 U.S.C. § 371.

The Bankruptcy Court approved the Debtors entering into the DOJ Resolution on November 17, 2020. The DOJ Resolution provides for the following:

1. a \$2 billion criminal forfeiture judgment which will be treated as an allowed superpriority administrative claim in the bankruptcy (the “**DOJ Forfeiture Judgment Claim**”);

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2. \$3.544 billion in criminal fines which will be treated as an allowed, unsubordinated, undisputed, non-contingent, liquidated general unsecured claim in the bankruptcy (the “**DOJ Criminal Fine Claim**”); and
3. a \$2.8 billion civil damages claim which is an allowed, unsubordinated, non-contingent, liquidated general unsecured claim (the “**DOJ Civil Claim**”), subject to certain rescission rights on the part of DOJ.

While the total amount of claims under the DOJ Resolution is \$8.3 billion, only the \$2.8 billion DOJ Civil Claim was allowed by the 9019 order approving the DOJ Resolution. The other two claims will become allowed upon the later of (i) the entry of a judgment of conviction by the United States District Court for the District of New Jersey (the “**District Court**”) and (ii) confirmation of a chapter 11 plan of reorganization for the Debtors (the “**Plan**”).

The timeline for plan confirmation and emergence from chapter 11 is expected to include, among other things, (1) the Debtors filing a Plan, an accompanying disclosure statement (the “**Disclosure Statement**”), a motion to approve the Disclosure Statement and solicitation and noticing procedures and materials (the “**Disclosure Statement Motion**”) and a related scheduling motion (the “**Motion for Schedule and Protocols**”), (2) entry of orders granting the Disclosure Statement Motion and Motion for Schedule and Protocols following a hearing, (3) voting on the Plan by the claimants and (4) confirmation of the Plan by the Bankruptcy Court following a hearing.

Pursuant to the Plea Agreement, the sentencing hearing in the District Court is expected to take place at least 75 days following confirmation of a Plan (and at least seven days before emergence). Prior to the sentencing hearing:

Purdue may withdraw from the Plea Agreement if: (1) the Bankruptcy Court rejects, or otherwise declines to confirm, a Plan that provides for the emergence of a public benefit company (or entity with a similar mission); or (2) the HHS-OIG exercises, or states an intent to exercise, any available authority to exclude PPLP’s successor public benefit company (or entity with a similar mission) from participation in federal healthcare programs. At the sentencing hearing, the District Court will decide whether to accept the Plea Agreement; if the District Court rejects the Plea Agreement, Purdue or DOJ may withdraw from the Plea Agreement. If the District Court accepts the Plea Agreement at the sentencing hearing, it will enter the \$2 billion forfeiture judgment and a judgment of conviction will be entered soon after the sentencing hearing.

Upon entry of the judgment of conviction, and so long as a plan of reorganization has been confirmed, then:

1. the \$2 billion DOJ Forfeiture Judgment will be treated as an allowed superpriority administrative claim in the bankruptcy; and
2. the \$3.544 billion DOJ Criminal Fine Claim will be treated as an allowed, unsubordinated, non-contingent, liquidated general unsecured claim in the bankruptcy.

Pursuant to the Plea Agreement, the United States has agreed to provide offset credit (the “**Forfeiture Judgment Credit**”) for value conferred upon the non-federal government creditors up to \$1.775 billion out of the \$2 billion DOJ Forfeiture Judgment Claim provided that the Debtors: (i) obtain confirmation of a Plan that provides that all of the Debtors’ assets are transferred to a public benefit company (or entity with a similar mission); and (ii) distribute at least \$1.775 billion of value to state, tribal, and local governments in satisfaction of their claims, with such funds to be dedicated to abatement programs. PPLP will make a \$225 million upfront payment to the United States within three business days following the entry of a judgment of conviction pursuant to the Plea Agreement. The remaining \$1.775 billion of the DOJ Forfeiture Judgment Claim is expected to be satisfied through the Forfeiture Judgment Credit.

If the Bankruptcy Court does not confirm a Plan of Reorganization in the Chapter 11 Cases that provides for the emergence from the Chapter 11 Cases of a public benefit company (or entity with a similar mission), Purdue and the United States each have the option to rescind the Civil Settlement Agreement.

#### B. Sackler Settlement with the DOJ

On October 20, 2020 Named Sacklers entered into an agreement with the DOJ to pay two-hundred twenty-five million (\$225,000,000) plus interest on the Settlement Amount at the rate of 0.75% from November 5, 2020 on the later of (i) fifteen (15) days after the effective date of the Agreement or (ii) three (3) business days after the date on which the Bankruptcy Court grants a Motion to Confirm (as defined in Paragraph 2). The Bankruptcy Court granted a Motion to Confirm on November 18<sup>th</sup>, 2020.

C. Other Claims

The Bankruptcy Court for the Southern District of New York set the deadline to file a claim against the Debtors as of July 30, 2020 (the “**Bar Date**”). With certain exceptions, persons and entities that wished to assert a claim against the Debtors that arose prior to September 15, 2019 were required to file a proof of claim before the Bar Date in order to be treated as a creditor with respect to such claim for purposes of voting and distribution. Over 619,000 claims were submitted in advance of the Bar Date, with an asserted value of over of \$140 trillion.

The Company is in the process of reviewing, analyzing, and reconciling filed claims, and at present, the allowed amounts of such claims are not determinable. The Company expects the claims resolution process will take significant time to complete. As the amounts of the allowed claims are determined, adjustments will be recorded to liabilities subject to compromise and reorganization expenses due to bankruptcy.

D. Ongoing Settlement Discussions with Sacklers

As noted above, the Debtors recorded a provision of \$3.0 billion representing the minimum contribution from the shareholders, which is included as a liability subject to compromise as a retroactive adjustment to December 31, 2018. On March 15, 2021, Purdue filed a Plan of Reorganization in the U.S. Bankruptcy Court. Under the Plan, the Sackler families have agreed to pay \$4.275 billion in addition to the \$225 million Sackler Settlement with the DOJ, for a total settlement of \$4.5 billion. The \$4.5 billion represents a \$1.5 billion increase from the \$3 billion agreement in principle reached in September 2019, previously recorded as a liability subject to compromise. The Debtors are working with their auditors, Ernst and Young to consider the increase in loss that will need to be recognized. The settlement amount will be paid by the shareholders of the Company. The Company will reclassify the totality of the ultimate liability recorded, to equity as a capital contribution when a settlement agreement is finalized and executed.

In re: PURDUE PHARMA L.P., et al.,  
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**PURDUE PHARMA, INC. BALANCE SHEET (\$000) <sup>1,2</sup>**

|                                      | <b>Book Value</b> |
|--------------------------------------|-------------------|
| <b>Assets</b>                        |                   |
| Current assets:                      |                   |
| Cash and cash equivalents            | \$ 1,275          |
| Prepaid expenses                     | 332               |
| Due from Associated Companies        | 220               |
| <b>Total current assets</b>          | <b>1,827</b>      |
| Investments                          | 10,110            |
| <b>Total assets</b>                  | <b>\$ 11,937</b>  |
| <b>Liabilities and equity</b>        |                   |
| Current liabilities:                 |                   |
| Accounts payable                     | \$ 463            |
| Due to Associated Companies          | 258               |
| Accrued Expenses                     | 178               |
| <b>Total liabilities</b>             | <b>899</b>        |
| Common stock                         | 1                 |
| Additional paid-in capital           | 499               |
| Retained earnings                    | 10,603            |
| Accumulated other comprehensive loss | (65)              |
| <b>Total equity</b>                  | <b>11,038</b>     |
| <b>Total liabilities and equity</b>  | <b>\$ 11,937</b>  |

**Footnotes**

1) The numbers reflected in the Consolidated Balance Sheet are shown in THOUSANDS.

2) The financial statements and supplemental information contained herein are limited in scope and cover a limited time period. Moreover, such information is preliminary, unaudited, and subject to change.

In re: PURDUE PHARMA L.P., et al.,  
Debtors

Case No.: 19-23649 (RDD)  
Reporting Period April 1, 2021 to April 30, 2021

**SCHEDULE OF POST PETITION TAXES**

Office of the U. S. Trustee

Re: Monthly Operating Report Attestation Regarding Post Petition Taxes

The Debtor, PURDUE PHARMA L.P. and its affiliate Debtors hereby submit this attestation regarding post petition taxes.

All post petition taxes, which are not subject to dispute or reconciliation, are current. There are no material disputes or reconciliations.

*T. R. house*

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Signature

In re: PURDUE PHARMA L.P., et al.,  
Debtors

Case No.: 19-23649 (RDD)  
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**SCHEDULE OF PAYMENTS TO INSIDERS (\$)**

| NAME                                | AMOUNT PAID DURING THE REPORTING PERIOD | CUMULATIVE <sup>1</sup> |
|-------------------------------------|---|-------------------------|
| <b>Compensation</b>                 |   |                         |
| Chomiak, Caroline                   | \$ -                                    | \$ 261,662              |
| Kesselman, Marc L <sup>2</sup>      | 1,499,933                               | 9,678,456               |
| Landau, Craig J                     | 1,854,861                               | 8,677,045               |
| Lowne, Jonathan R                   | 631,480                                 | 3,537,426               |
| Lundie, David R                     | 423,337                                 | 2,722,408               |
| Mancinelli II, Vincent F            | 235,242                                 | 1,569,878               |
| Mazzi, Christian                    | -                                       | 439,030                 |
| Medeiros, Paul                      | -                                       | 1,280,482               |
| Shamblen, Randy                     | 53,481                                  | 1,701,223               |
| Strassburger, Philip C              | -                                       | 1,614,331               |
| <b>Total Compensation</b>           | <b>4,698,333</b>                        | <b>31,481,941</b>       |
| <b>Director Fees</b>                |   |                         |
| Boer, F Peter                       | 175,000                                 | 1,225,000               |
| Buckfire, Kenneth A                 | 175,000                                 | 1,225,000               |
| Cola, Michael                       | 175,000                                 | 1,225,000               |
| Collins, Michael J                  | -                                       | 25,000                  |
| Dubel, John                         | 175,000                                 | 1,225,000               |
| Miller, Robert S                    | 208,333                                 | 3,750,000               |
| Muhlhauser, Eckhard                 | -                                       | 25,000                  |
| Pickett, Cecil                      | 175,000                                 | 1,225,000               |
| <b>Total Director Fees</b>          | <b>1,083,333</b>                        | <b>9,925,000</b>        |
| <b>T&amp;E Reimbursements</b>       |   |                         |
| Boer, F Peter                       | -                                       | 10,907                  |
| Buckfire, Kenneth A                 | -                                       | 1,565                   |
| Chomiak, Caroline                   | -                                       | 30,408                  |
| Cola, Michael                       | -                                       | 1,388                   |
| Debone, Louis                       | -                                       | 1,245                   |
| Dubel, John                         | -                                       | 4,714                   |
| Kesselman, Marc L                   | 95                                      | 53,482                  |
| Landau, Craig J                     | 2,673                                   | 86,346                  |
| Lowne, Jonathan R                   | -                                       | 2,184                   |
| Lundie, David R                     | -                                       | 29,997                  |
| Mancinelli II, Vincent F            | 39                                      | 44,929                  |
| Mazzi, Christian                    | -                                       | 3,734                   |
| Medeiros, Paul                      | -                                       | 38,687                  |
| Miller, Robert S                    | -                                       | 10,315                  |
| Pickett, Cecil                      | -                                       | 1,298                   |
| Shamblen, Randy                     | -                                       | 11,738                  |
| Strassburger, Philip C              | -                                       | 16,150                  |
| <b>Total T&amp;E Reimbursements</b> | <b>2,806</b>                            | <b>349,087</b>          |
| <b>Housing Payments</b>             |   |                         |
| Kesselman, Marc L                   | 4,673                                   | 98,101                  |
| <b>Total Housing Payments</b>       | <b>4,673</b>                            | <b>98,101</b>           |

In re: PURDUE PHARMA L.P., et al.,  
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SCHEDULE OF PAYMENTS TO INSIDERS (\$)

| NAME   | AMOUNT PAID DURING THE REPORTING PERIOD | CUMULATIVE <sup>1</sup> |
|--|---|-------------------------|
| <b><i>Indemnification Payments</i></b>                     |   |                         |
| Barton, Maria  | 4,208                                   | 4,208                   |
| Baker, Stuart D <sup>3</sup>                               | -                                       | 1,689,916               |
| Butcher, James A   | -                                       | 527                     |
| Friedman, Michael  | 34,200                                  | 243,818                 |
| Landau, Craig J  | 169,127                                 | 4,157,626               |
| Lundie, David R  | -                                       | 50,458                  |
| Motahari, Saeed  | -                                       | 24,680                  |
| Roncalli, Anthony  | 39,963                                  | 903,008                 |
| Stewart, John  | -                                       | 266,225                 |
| Strassburger, Philip                                       | -                                       | 46,935                  |
| Timney, Mark   | 209                                     | 1,521,223               |
| Purdue Pharma Inc Independent Directors <sup>4</sup>       | -                                       | 1,927,303               |
| <b>Total Indemnification Payments</b>                      | <b>247,706</b>                          | <b>10,835,927</b>       |
| <b><i>Payments to Independent Associated Companies</i></b> |   |                         |
| Mundibiopharma Ltd   | -                                       | 55,332                  |
| Mundipharma DC BV  | 51,206                                  | 345,460                 |
| Mundipharma International Ltd                              | -                                       | 11,053                  |
| Mundipharma International Technical Operations Ltd         | -                                       | 21,782                  |
| Mundipharma IT Services Ltd                                | -                                       | 278,603                 |
| Mundipharma Laboratories GmbH                              | -                                       | 1,590,148               |
| Mundipharma Research Ltd                                   | 3,500,000                               | 3,613,807               |
| Mundipharma Singapore Holdings Pte Ltd                     | -                                       | 60,675                  |
| One Stamford Realty L.P.                                   | 474,504                                 | 16,631,935              |
| Pharmaceutical Research Associates Inc.                    | 540,437                                 | 2,656,390               |
| Purdue Pharma Canada                                       | 104,978                                 | 5,508,800               |
| Purdue Pharma Technologies Inc.                            | -                                       | 26,350                  |
| Terramar Foundation  | -                                       | 1,000                   |
| TXP Services Inc. <sup>5</sup>                             | 58,333                                  | 7,043,031               |
| <b>Total Payments to Independent Associated Companies</b>  | <b>4,729,459</b>                        | <b>37,844,366</b>       |
| <b>Total Payments to Insiders</b>                          | <b>\$ 10,766,311</b>                    | <b>\$ 90,534,423</b>    |

**Footnotes**

1) Represents payments made since the Commencement Date.

2) Automobile allowance for Marc L. Kesselman is partially received in cash and partially through personal usage of a company-owned vehicle.

3) Indemnification payments made in June 2020 on behalf of Stuart D. Baker were inadvertently in amounts exceeding the 50% reimbursement rate approved by the Special Committee of Purdue Pharma Inc.'s Board of Directors, totaling \$12,390. Overpayments are in the process of being reversed through future invoice credits, repayment from respective law firms, and/or reimbursement from Stuart D. Baker. Currently, \$6,158.05 of this total remains outstanding.

4) These indemnification payments relate to litigation in which the following current and former Independent Directors of Purdue Pharma Inc. are all listed as defendants: Boer, F Peter; Costa, Paolo; Lewent, Judy; Pickett, Cecil; and Snyderman, Ralph.

5) Payments to TXP include a monthly charge of approximately \$58,333 for Anthony Roncalli's service as a Director for Purdue Pharma Inc.

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SCHEDULE OF RETAINED RESTRUCTURING PROFESSIONAL FEES (\$)

| NAME   | AMOUNT PAID DURING THE REPORTING PERIOD | CUMULATIVE <sup>1,2,3</sup> |
|--|---|-----------------------------|
| <b><i>Estate Professionals</i></b>                           |   |                             |
| Davis Polk & Wardwell LLP                                    | \$ 12,203,529                           | \$ 112,241,807              |
| AlixPartners, LLP  | 1,269,775                               | 19,139,924                  |
| PJT Partners LP  | 720,931                                 | 3,704,386                   |
| Ernst & Young  | 269,161                                 | 1,660,161                   |
| Cornerstone Research   | 442,724                                 | 3,714,351                   |
| Prime Clerk LLC  | 1,349,022                               | 56,290,151                  |
| <b>Total Estate Professionals</b>                            | <b>16,255,143</b>                       | <b>196,750,780</b>          |
| <b><i>Creditor Committee Professionals</i></b>               |   |                             |
| Akin Gump Strauss Hauer & Feld LLP                           | 3,466,473                               | 70,146,850                  |
| Bayard, P.A.   | -                                       | 1,170,655                   |
| Cole Schotz P.C.   | 1,058,162                               | 15,680,702                  |
| Jefferies LLC  | 361,498                                 | 3,757,733                   |
| KPMG   | 82,265                                  | 3,611,245                   |
| Province, Inc.   | 946,798                                 | 20,046,838                  |
| Kurtzman Carson Consultants LLC                              | 43,166                                  | 652,161                     |
| Bedell Cristin   | 62,017                                  | 360,101                     |
| <b>Total Creditor Committee Professionals</b>                | <b>6,020,378</b>                        | <b>115,426,284</b>          |
| <b><i>Ad Hoc Committee Professionals</i></b>                 |   |                             |
| Kramer Levin Naftalis & Frankel LLP                          | 1,074,894                               | 9,614,786                   |
| Brown Rudnick LLP  | 659,887                                 | 5,336,659                   |
| Gilbert LLP  | 663,382                                 | 5,632,514                   |
| Otterbourg PC  | 359,890                                 | 2,366,182                   |
| FTI Consulting, Inc  | 1,593,825                               | 8,131,815                   |
| Houlihan Lokey   | 320,341                                 | 2,628,909                   |
| Compass Lexecon  | -                                       | -                           |
| Coulter & Justice  | -                                       | -                           |
| <b>Total Ad Hoc Committee Professionals</b>                  | <b>4,672,220</b>                        | <b>33,710,865</b>           |
| <b><i>Special Counsel to the Debtors</i></b>                 |   |                             |
| Arnold Porter & Kaye Scholer                                 | 245,175                                 | 2,188,047                   |
| Dechert LLP  | 685,708                                 | 7,623,912                   |
| Jones Day  | 207,200                                 | 2,839,815                   |
| King & Spalding LLP  | 408,988                                 | 18,894,221                  |
| Skadden, Arps, Slate, Meagher & Flom LLP                     | 402,405                                 | 19,718,255                  |
| Wilmer Cutler Pickering Hale and Dorr LLP                    | 639,088                                 | 1,440,835                   |
| <b>Total Special Counsel Professionals</b>                   | <b>2,588,563</b>                        | <b>52,705,085</b>           |
| <b><i>The Law Offices of Kenneth Feinberg (Mediator)</i></b> |   |                             |
| Phillips ADR (Mediator)                                      | -                                       | 5,502,648                   |
| Bielli & Klauder, LLC (Fee Examiner)                         | 88,000                                  | 523,375                     |
| Tom Vilsack (Court appointed monitor)                        | -                                       | 201,350                     |
| Ernst & Young (Canada), Court Appointed Information Officer  | 12,760                                  | 226,715                     |
| <b>Total Retained Restructuring Professional Fees</b>        | <b>\$ 29,637,064</b>                    | <b>\$ 410,551,190</b>       |

**Footnotes**

- 1) Represents payments made since the Commencement Date  
 2) Prior periods may have been corrected to include payments erroneously omitted in earlier reports  
 3) Amounts exclude fees approved and paid via prepetition retainer balances

In re: PURDUE PHARMA L.P., et al.,  
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**DEBTOR QUESTIONNAIRE**

| <b>Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.</b>                   | <b>Yes</b> | <b>No</b> | <b>Comments</b>  |
|--|------------|-----------|--|
| Have any assets been sold or transferred outside the normal course of business this reporting period?  |            | X         |  |
| Have any funds been disbursed from any account other than a debtor in possession account this reporting period?  |            | X         |  |
| Is the Debtor delinquent in the timely filing of any post-petition tax returns?  |            | X         |  |
| Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies? |            | X         |  |
| Is the Debtor delinquent in paying any insurance premium payment?  |            | X         |  |
| Have any payments been made on pre-petition liabilities this reporting period?   |            | X         |  |
| Are any post petition receivables (accounts, notes or loans) due from related parties?   | X          |           | Purdue Pharma, LP receives royalties from affiliated entities for foreign sales of certain products. |
| Are any post petition payroll taxes past due?  |            | X         |  |
| Are any post petition State or Federal income taxes past due?  |            | X         |  |
| Are any post petition real estate taxes past due?  |            | X         |  |
| Are any other post petition taxes past due?  |            | X         |  |
| Have any pre-petition taxes been paid during this reporting period?  |            | X         |  |
| Are any amounts owed to post petition creditors delinquent?  |            | X         |  |
| Are any wage payments past due?  |            | X         |  |
| Have any post petition loans been received by the Debtor from any party?   |            | X         |  |
| Is the Debtor delinquent in paying any U.S. Trustee fees?  |            | X         |  |
| Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?  |            | X         |  |
| Have the owners or shareholders received any compensation outside of the normal course of business?  |            | X         |  |